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8 October 1960

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CENTRAL

INTELLIGENCE

BULLETIN



DOCUMENT NO. 33

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NEXT REVIEW DATE: 2018

AUTH: HR TU-2

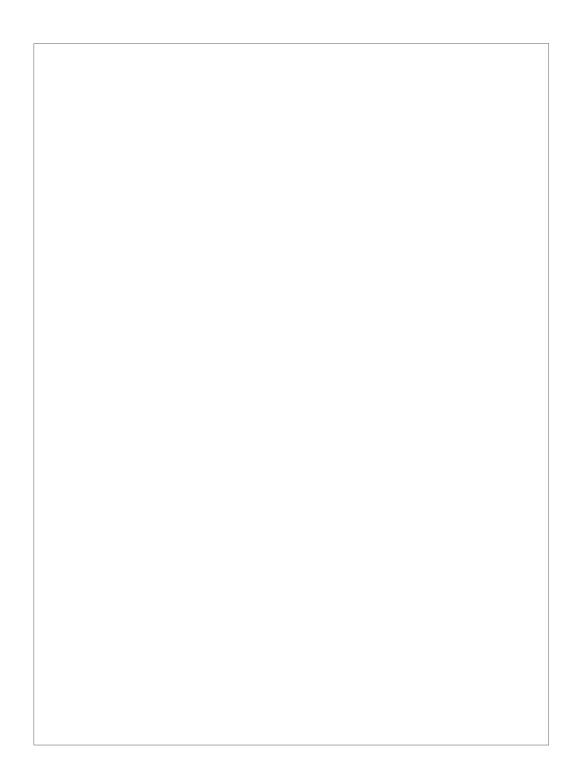
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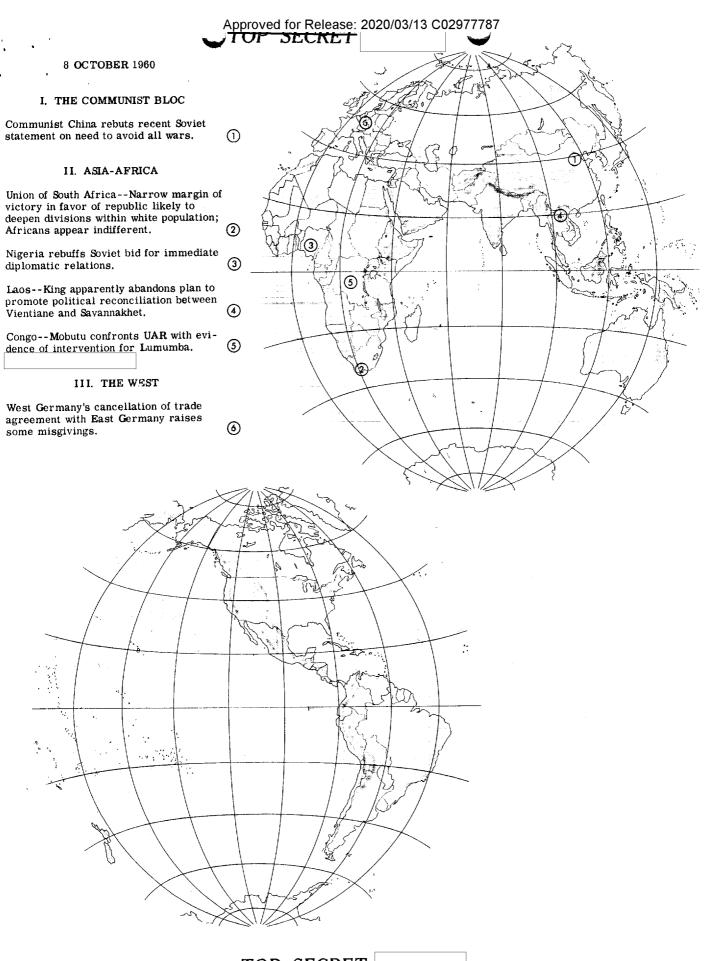
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Release: 2020/03/13 C029777

Approved for Release: 2020/03/13 C02977787 TOP SECRET





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CENTRAL INTELLIGENCE BULLETIN

8 October 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

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Communist China: General Fu Chung, a deputy director of the Political Department of the Chinese Communist Army, in two articles in the People's Daily has described as a "naive illusion" the view that wars can be avoided while the class system exists. He said, "As long as classes exist there will be armies, arms, and wars," but he conceded the possibility of avoiding global war. He also declared that "atomic bombs could by no means destroy the human race" and that the outcome of a future war will depend upon men and not atomic bombs. The articles were in the form of a comment on the new edition of Mao Tse-tung's works on the Chinese revolution, and their content and timing have the effect of rebutting the Sovieteview on war as expressed recently by General Talensky, who implied it was necessary to avoid all wars because of the danger that limited wars would lead to enormously destructive world wars.

This unequivocal reaffirmation by the Chinese of the dogma that limited wars are inevitable and global wars possible, together with the downgrading of the effects of nuclear war, again indicates clearly that they feel there is less reason for the bloc to avoid the risk of war than does the USSR. Peiping is in effect urging a much-higher-risk policy on Moscow than the Soviet party thinks justified by the present balance of

power.

II. ASIA-AFRICA

South Africa: Although his victory in the recent republic referendum solidifies Prime Minister Verwoerd's position as leader of the politically dominant Afrikaner community, the narrow victory margin—less than 80,000 votes out of

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more than 1,600,000--is likely to deepen the divisions within South Africa's white population. The 10 million Africans in the Union, who were excluded from the vote, appear to be indifferent to the republic question, regarding it as a squabble within the white community. Tension is high among the white population in Natal Province, stronghold of the country's English-speaking minority, and talk of the province's secession has been widespread. Verwoerd is likely to be subject to increased criticism from relatively moderate Afrikaners, many of whom regard the narrow referendum victory as an insufficient mandate for the establishment of a republic. However, traditional Afrikaner solidarity will probably keep defections to a minimum, and Verwoerd may receive increasing support from racial conservatives in the English-speaking community. (Page 1)

Nigeria-USSR: Nigeria, which became independent on 1 October, has rebuffed a Soviet bid for the immediate establishment of diplomatic relations. Nigeria's moderate Prime Minister Balewa refused to commit his government to such ties despite the insistence of Moscow's delegates to the independence celebrations that they had been "instructed" by Khrushchev to establish an embassy in Lagos. As has been the practice of Soviet delegations attending independence ceremonies of other African states, the delegates made wide contacts and reportedly distributed lavish gifts to prominent personalities.

Although pressures for diplomatic ties with the USSR will undoubtedly increase in the future, Balewa will probably resist the immediate establishment of relations. On the other hand, because of Nigeria's announced policy of nonalignment, Balewa is likely to give serious consideration to establishing such relations at a time of his own choosing, probably within the next vear.

Laos: (King Savang appears to have abandoned his plan to promote a political reconciliation between the Souvanna Phouma government and General Phoumi's Savannakhet Revolutionary Committee. While highly critical of Souvanna's recent actions,

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l	the King told Ambassador Brown on 6 October that he would ap-	
	point a new government only if Souvanna resigned or were forced out by the National Assembly. Savang claimed he was	
	powerless to act without the support of either a united army or	
	a united public opinion, neither of which he has at present.	
	A	المركر
	Republic of the Congo: Army chief Mobutu, confronted him with documents in which Cairo agreed to place its UN contingent under Lumumba's command in event of a crisis. Mobutu spoke of reconvening the Congo parliament, a course of action which Mobutu may be	Menter of the same
	Republic of the Congo: Army chief Mobutu,	and what
	confronted	1/2 sent
	him with documents in which Cairo agreed to place its UN con-	D 3
	Mobile control a crisis,	f '
	Congo parliament, a course of action which Mobutu may be	
	inclined to favor since the action of a group of deputies in de-	
	nouncing Lumumba on 3 October. de-	
	scribed Mobutu as "close to a nervous breakdown," and re-	
_	ported that Mobutu admitted to having lost 30 pounds.	
	(Page 3)	
	III. THE WEST	
	Berlin: West Germany's cancellation of its 1961 inter-	
	zonal trade agreement—which initially received wide approval in Bonn—is now arousing second thoughts among government	
	and party leaders there. Members of the Social Democratic	o K
į.	foreign affairs working group in the Bundestag are reportedly	dilete.
ž	highly critical of the move. One leader has voiced a fear that	count TP
	the new trade negotiations would, for the first time, have to be	
	conducted on a government-to-government level, thus enhanc-	
	ing the position of East Germany and undermining the four-	
	power status of Berlin.	
	West Germany is apparently willing to negotiate a new trade agreement in exchange for East German access guarantees—	
	a right which the West maintains is already guaranteed by the	
	USSR in the 1949 agreement. It also notes continued British	
	and French reluctance to impose economic sanctions in retali-	
	ation for East German travel restrictions.	
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DAILY BRIEF

Prime Minister's Position Strengthened by South African Republic Referendum

Prime Minister Verwoerd's victory in the recent republic referendum has confirmed the organizational effectiveness of the Afrikaner-controlled Nationalist party and has solidified his own position as leader of the Union of South Africa's politically dominant Afrikaner community. However, the narrow margin of victory--less than 80,000 votes in a total of more than 1,600,-000--is likely to deepen the division between the Afrikaners and the large English-speaking minority. (

Tension in the English-speaking community has been especially high in Natal Province, long a stronghold of anti-republic sentiment. Some of the province's leaders have hinted that if a republic were established they would attempt to secede--a move which almost certainly would be opposed by both English and Afrikaners in the rest of the country. The province will probably remain in the Union, but opposition to the Verwoerd government can be expected to become more bitter.

Verwoerd also is likely to be subject to increased criticism from relatively moderate Afrikaners, especially in Cape Province. The Cape Nationalists reportedly believed that to obtain a clear mandate for the republic, Verwoerd would need at least 60 percent of the vote in the referendum; they may therefore argue that the 52 percent actually obtained does not justify the establishment of a republic. While such criticisms may be voiced in private, traditional Afrikaner solidarity will probably keep public defections to a minimum. In fact, Verwoerd may even broaden the base of his authority by obtaining the support of some racial conservatives in the English-speaking community.

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King Savang appears to have abandoned any effort to force a political compromise between the Souvanna Phouma government in Vientiane and General Phoumi's Savannakhet Revolutionary Committee. In a 6 October audience with Ambassador Brown in Luang Prabang, the King indicated that for the present, at least, he has resigned himself to permitting events to take their own course. Savang said that Souvanna, who saw him on the same day, had asked him to send a cable to Savannakhet ordering Phoumi and Prince Boun Oum to dissolve the Revolutionary Committee and proclaim their allegiance to the government. The King refused, telling Souvanna that it was his responsibility either to seek reconciliation with the committee or to subdue it by capturing Savannakhet.

Savang severely criticized Souvanna, not only for permitting Vientiane forces to violate the 28 September cease-fire agreement with Phoumi, but also for allowing the Pathet Lao to gain a position of such great strength. He added that Captain Kong Le was still a force in Vientiane and that the Pathet Lao were pulling the strings there.

Souvanna meanwhile has claimed to several sources that there is not enough time to reach a settlement with Phoumi before the negotiations with the Pathet Lao which were to begin on 7 October. One of the chief negotiators for the Pathet Lao side is reported to have arrived in Vientiane. The First Military Region commander, whose headquarters is in Luang Prabang, claims he warned Souvanna of the dangers of negotiating with the Pathet Lao at the present juncture but that he made little impression on the premier. This commander is reported by other sources to be ready to abandon his at best nominal loyalty to Vientiane at the opportune moment.

Pro-Savannakhet officers are also reported plotting to take over control of the Second Military Region, with head-quarters in Xieng Khouang Province. Only ten days ago an internal turnover in the region's command had swung the region over to Souvanna. In Vientiane, General Ouane, the armed forces commander, has indicated qualified willingness to find some way to cooperate with Phoumi in preventing further Pathet Lao gains.

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Situation in the Congo

Army chief Mobutu,
confronted him with documents in
which the UAR charge agreed in late September to place the
UAR contingent in the Congo under Lumumba's command in
the event of a crisis. Although denied this and
other evidence of Cairo's intervention on Lumumba's behalf, he
reported to Cairo that a search of files revealed that
such a commitment had been made by his predecessor in a let-
ter to the deposed premier.
Mobutu spoke of re-
convening the Congo parliament, an action which may have
gained favor with Mobutu after a group of deputies spoke out
against Lumumba on 3 October.
has characterized as exaggerated the
claim of anti-Lumumba spokesmen that Lumumba now is op-
posed by three quarters of the legislators from his erstwhile
political stronghold, Orientale Province, but adds that the de-
fections are significant, since Lumumba's parliamentary sup-
port has hitherto been based almost entirely on the unity of his
followers from Orientale Province.
Despite the recent trend against Lumumbahighlighted by
the arrest of three of his lieutenants in Stanleyville and the ero-
sion of his parliamentary support he continues to enjoy a con-
siderable measure of foreign support and to benefit from inde-
cisiveness on the part of the harassed Mobutu. In addition to
the active support he is receiving from Ghana, Guinea, and the
UAR, Lumumba is supported somewhat less enthusiastically
by Morocco, whose secretary general for foreign affairs stated
on 6 October that the only feasible solution to the Congo impasse
would be a working agreement among Kasavubu, Lumumba, and
Mobutu.) Lumumba may also benefit from
the physical strain undergone by Mobutu, who has spoken of
"quitting" and who was described

	as "close to a nervous breakdown."
) : . t. y	Elsewhere, the director of the Congo Central Bank in Brussels has stated that the Congo Government has requested its last line of credit, and that after this is exhausted—around 15 October—the Congo will have no further funds. He noted, however, that it might be possible to permit further borrowing by raising the present debt ceiling.

West Germans Having Second Thoughts on Cancellation of East German Trade Agreement

West Germany's cancellation on 30 September of its 1961 interzonal trade agreement with East Germany--which initially received wide approval in Bonn--now is arousing second thoughts among government and party leaders there.

Members of the opposing Social Democratic party's foreign affairs working group in the Bundestag are reportedly highly critical of the move. One leader has voiced a fear that the government might, for the first time, be forced to give in to East German pressure to conduct new trade negotiations on a government-to-government level, thus enhancing the position of East Germany and undermining the four-power status of Berlin. Although West Berlin Mayor and SPD chancellor candidate Willy Brandt and possibly other SPD leaders were consulted regarding the move, SPD Deputy Chairman Herbert Wehner complained that it took the party completely by surprise. He also stated that the party was in a quandary because Brandt had agreed to the cancellation before other SPD leaders had an opportunity to consider it.

Deputy Foreign Minister Carstens, at an off-the-record briefing for newsmen on 4 October, reportedly conveyed the impression that Bonn is retreating a little from its trade pact decision and feels somewhat defensive about it.

Bonn is apparently willing to negotiate a new trade agreement in exchange for East German guarantees on access to Berlin--a right which the West maintains is guaranteed by the USSR in the 1949 agreements.

continued reluctance on the part of the French and British to impose effective economic or travel sanctions--including the denial of travel visas to East German trade mission personnel--in retaliation for East German travel restrictions.

Ankara has informed Bonn not to expect Turkish 🔙

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support in its economic or travel sanctions. Efforts to line up Allied support for countermeasures have been complicated by conflicting public statements of leading German officials regarding the significance of the trade pact cancellation and the statement in the North Atlantic Convention on 5 October by the West German permanent representative that—contrary to previous indications—interzonal trade could not in practice continue after 1 January 1961 in the absence of a new agreement with the East Germans.

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